

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:4115

ANSWERED ON:30.04.2012

IMPORT OF ARMS

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Will the Minister of DEFENCE be pleased to state:

(a) whether according to the latest data from the Stockholm International Peace Research Institute, India was the world's largest arms importer between 2007 to 2011;

(b) if so, the details thereof;

(c) the amount of expenditure incurred on the import of arms including ammunitions for small weapons during the above period; and

(d) the steps taken by the Government to boost the indigenous production of arms so that imports of arms could be reduced?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

(a) & (b): The Stockholm International Peace Research Institute (SIPRI) has reported 38% increase in the value of arms imported by India during 2007-11 compared to the period 2002-06

Acquisition of defence equipment both from foreign as well as indigenous sources is in accordance with the modernization programme of the Armed Forces as per Long Term Integrated Perspective Plan (LTIPP), Five Year Services Capital Acquisition Plan (SCAP) and Annual Acquisition Plans (AAPs).

(c) The amount of expenditure incurred on capital acquisition for modernisation of Armed Forces through imports during 2007-2011 is as under:-

(Rs in crore)
Year Amount spent on
 foreign procurement

2007-08 10166.08

2008-09 10184.95

2009-10 13411.91

2010-11 15443.01

(d) With a view to achieve greater self reliance in Defence production, the Defence Industry was opened up for Indian Private Sector participation in May 2011 with FDI permissible upto 26%, subject to licensing. Government has announced Defence Production Policy in January, 2011. The 'Make' Procedure was promulgated in 2006 to encourage indigenous development. Besides, the Government has included a new categorisation 'BUY & MAKE (Indian)' in the Defence Procurement Procedure in November, 2009 to encourage indigenous production. There is also provision for 30% offset obligation in all Capital Acquisitions categorised as Buy (Global) or Buy & Make with ToT where the estimated cost of the acquisition proposal is Rs.300 crore or more.